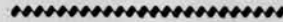


TAX REVISION

Conferees on H. R. 4473, tax revision, met in executive session to reconsider the conference report which was recommitted to it yesterday by the House, but made no announcement. They meet again tomorrow.

APPROPRIATIONS—SUPPLEMENTAL

Conferees met in executive session to work out differences between the House- and Senate-passed versions of H. R. 5215, supplemental appropriations for 1952, but did not conclude.



Thursday, October 18, 1951

HIGHLIGHTS

Senate adopted tax conference report and passed mutual security appropriations and bill on termination of war with Germany.

House passed miscellaneous bills and sent railroad retirement bill to conference.

Senate subcommittee rejected nomination of Philip Jessup to U. N., and Senate committees reported miscellaneous agriculture and armed services bills, and D. C. pay raise.

House committees conducted hearings on organized baseball, small business, and amendments to the War Claims Act and Trading With the Enemy Act.

Conferees agreed to file reports on tax bill, Government employees' pay increase, postal rates, and railroad retirement.

Senate

*Chamber Action**Routine Proceedings, pages 13407-13411*

Bills Introduced: Twelve bills and one resolution were introduced, as follows: S. 2295 to S. 2306; and S. Res. 226.

Pages 13409, 13443

Bills Reported: Reports were made as follows:

H. R. 5230, providing for the conveyance to North Carolina of the Currituck Beach Lighthouse Reservation, Corolla, N. C. (S. Rept. 1023);

S. 1320, to provide rank and pay for Chief Dental Officer of the U. S. Public Health Service equivalent to that of Chief Dental Officer of the Army (S. Rept. 1024);

S. 337, to amend Public Health Service Act and Vocational Education Act of 1946, providing a 5-year program of grants and scholarships for education in various fields of medicine, public health, and nursing, with amendments (S. Rept. 1025);

H. R. 5329, to increase salaries of Metropolitan Police, U. S. Park Police, members of the Fire Department, and employees of the Board of Education, with amendment (S. Rept. 1026);

H. R. 4049, to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands (S. Rept. 1027);

H. J. Res. 330, permitting importation of articles from foreign countries, without payment of tariff, for exhibi-

tion purposes at the Chicago International Trade Fair (S. Rept. 1028);

H. R. 3548, to provide that payments to States and Territories for care given to certain disabled soldiers and sailors of the U. S. shall be effective from the date such care commenced (S. Rept. 1029);

H. R. 3003, private bill (S. Rept. 1030);

Report of Committee on Agriculture and Forestry on supply and demand for fertilizers, farm machinery, and pesticides (S. Rept. 1031);

S. 1650, release to Savannah, Chatham County, Ga., of tract of land formerly used for military purposes (S. Rept. 1032);

H. R. 5425, authorizing construction at Air Force installations, with amendment (S. Rept. 1033);

H. R. 1628, to provide for the acquisition of land and the construction thereon of buildings and appurtenances essential for forest-fire-control operations of the Forest Service at or near Missoula, Mont. (S. Rept. 1034);

H. R. 4027, to provide for an agricultural program in the Virgin Islands (S. Rept. 1035);

H. R. 5650, second supplemental appropriations for fiscal year 1952, with amendments (S. Rept. 1036);

Report of Committee on Labor and Public Welfare on functions of Wage Stabilization Board, together with individual views (S. Rept. 1037);

Report of Committee on Labor and Public Welfare on labor participation in defense mobilization, together with individual supplemental views (S. Rept. 1038).

Pages 13408, 13443

Bills Referred: Two House-passed bills were referred to appropriate committees.

Pages 13410

Veterans' Autos: Veto message on S. 1864, authorizing payments by the VA on purchase of automobiles by certain disabled veterans, was received and ordered to lie on table.

Pages 13437-13438

Investigations: Investigations Subcommittee of Committee on Expenditures in the Executive Departments was authorized to file reports during adjournment of Congress.

Page 13408

Payne Memorial: H. J. Res. 284, memorialization of the one hundredth anniversary of death of John Howard Payne, author of *Home Sweet Home*, was adopted without amendment, clearing the bill for the President.

Page 13407

Bills Cleared for President: Senate concurred in House amendments to the following two bills, clearing them for President's signature: S. 921, to amend section 304 of the Federal Property Administrative Services Act of 1949 and section 4 of Armed Services Property Act of 1947, to authorize GAO to examine renegotiation of contracts; and S. 1952, to amend or repeal certain Government property laws.

Pages 13410-13411

Mutual Security Appropriations: By 57 yeas to 13 nays, H. R. 5684, mutual security appropriations, was passed with committee amendments.

Senate asked for conference and appointed as conferees Senators McKellar, Hayden, Russell, McCarran, O'Mahoney, Bridges, Ferguson, Cordon, and Saltonstall.

Pages 13413-13432

Tax Revision: Conference report on H. R. 4473, tax revision, was adopted.

Pages 13432-13437, 13486

War With Germany: H. J. Res. 289, to terminate state of war with Germany, was adopted and cleared for President, after rejection of committee amendment respecting suits to recover certain property held by Alien Property Custodian.

Pages 13438-13443

Supplemental Appropriations: Committee on Appropriations was authorized to report during recess H. R. 5650, second supplemental appropriations for 1952, and it was agreed that if the bill is so reported it will be made the pending bill for consideration.

Pages 13443-13445

Railroad Retirement Study: S. Con. Res. 51, providing for study of railroad retirement legislation, was adopted when Senate concurred in House amendment thereto.

Page 13445

Steel Allocations: Senate adopted S. Res. 225, favoring increased allocations of steel, copper, and aluminum for schools and hospitals, after adopting Saltonstall amendment requesting NPA and DPA to reconsider

allocations of such metals so as to provide a greater quantity for schools and hospitals.

Page 13445

Calendar Call: It was unanimously agreed that on tomorrow, following passage of H. R. 5650, second supplemental appropriations for 1952, the calendar will be called for unobjected-to bills beginning with Calendar No. 888.

Page 13445

Treaty Received: Treaty of Friendship, Commerce, and Navigation Between U. S. and Israel, together with protocol and exchange of notes relating thereto, signed at Washington, August 23, 1951, was received and referred to Committee on Foreign Relations (Exec. R. 82d Cong., 1st sess.).

Page 13447

Nominations: Four civilian nominations were received.

Pages 13447-13448

Committee Meetings

FOREST FIRE CONTROL, VIRGIN ISLANDS, AND FERTILIZER, FARM MACHINERY, AND PESTICIDE REPORT

Committee on Agriculture and Forestry: In executive session, the committee voted to report without amendment H. R. 1628, to provide for the acquisition of land and the construction thereon of buildings and appurtenances essential for forest-fire-control operations of the Forest Service at or near Missoula, Mont., and H. R. 4027, to provide for an agricultural program in the Virgin Islands.

It agreed to issue a report to the Senate on fertilizer, farm machinery, and pesticides, in pursuance of previous hearings held by the committee.

SUPPLEMENTAL APPROPRIATIONS

Committee on Appropriations: In executive session, committee voted to report with amendments H. R. 5650, second supplemental appropriations for 1952.

AIR FORCE PUBLIC WORKS, DISABLED SOLDIERS AND SAILORS, LAND TRANSFER, AND NOMINATIONS

Committee on Armed Services: In executive session, committee voted to report with amendment H. R. 5425, authorizing construction at Air Force installations; and without amendment H. R. 3548, to provide that payments to States and Territories for care given to certain disabled soldiers and sailors of the U. S. shall be effective from the date such care commenced; H. R. 4049, to authorize the Secretary of the Navy to transfer to the Commonwealth of Massachusetts certain lands and improvements comprising the Castle Island Terminal Facility at South Boston in exchange for certain other lands; S. 1650, release to Savannah, Chatham County, Ga., of tract of land formerly used for military purposes; and H. R. 3003, a private bill.

It reported favorably the nomination of Roswell L. Gilpatrick to be Under Secretary of the Air Force, along with the nomination of one lieutenant colonel and three majors in the Army.

WAR DAMAGE INSURANCE

Committee on Banking and Currency: Subcommittee, in executive session, reviewed present status of proposed legislation on war damage insurance and directed its staff to continue work on perfecting a bill during the recess of Congress.

D. C. PAY INCREASE

Committee on the District of Columbia: Committee voted to report with amendment H. R. 5329, to increase salaries of Metropolitan Police, U. S. Park Police, members of the Fire Department, and employees of the Board of Education. As approved by the committee, the bill would provide for pay increases for D. C. employees equal to increase given to classified Federal employees.

U. N. NOMINATIONS

Committee on Foreign Relations: In executive session, the subcommittee, by 3 to 2, voted to report unfavorably to the full committee the nomination of Philip Jessup to be U. S. Delegate to the U. N. General Assembly.

By 3 to 0, the subcommittee voted to report favorably to the full committee the nomination of Channing H. Tobias to be alternate delegate to the U. N. General Assembly, after receiving testimony from Mr. Tobias in

behalf of his own nomination. The other eight nominations to the U. N. were all favorably reported to the full committee by a vote of 3 to 0.

INTERNAL SECURITY

Committee on the Judiciary: Subcommittee on Internal Security continued its hearings, with Joseph Alsop testifying as to his knowledge of Henry A. Wallace's visit to China, and discussing Louis Budenz' testimony regarding John Carter Vincent, a State Department official.

SMALL BUSINESS—PROCUREMENT

Select Committee on Small Business: The following witnesses, representing the Austin Metal Products Co., of Detroit, appeared to answer charges made before the committee against the company on May 21, 1951, by Emerson C. Whitney, president, William F. Klemp Co., Chicago: Wilbert Austin, president, Sigurd Sundeen, treasurer, and Lenard V. Pylkas, attorney. Mr. Whitney had told the committee of his visit to Detroit to locate the Austin Metal Products Co., finding that the company was not listed in the telephone book, not rated with Dun & Bradstreet, that it had a "hole in the wall" for a plant, and was charging the Government \$38.50 for a tank grill which the William F. Kemp Co. was producing as subcontractor for about \$17 per grill. The witnesses today replied to the charges and gave their explanation for the reason for the price differential, which included adding to and processing the grill.

House of Representatives

Chamber Action

Bills Introduced: Sixteen public bills, H. R. 5788-5803; thirteen private bills, H. R. 5804-5816; and two resolutions, H. Res. 469 and 470, were introduced.

Pages 13450, 13488-13489

Bills Reported: Reports were made as follows:

H. R. 4900, granting the consent of Congress to a supplemental compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey concerning the Delaware River Joint Toll Bridge Commission (H. Rept. 1208);

H. R. 5730, a private bill (H. Rept. 1209);

Conference report on S. 1046, to increase certain postal rates (H. Rept. 1210);

Conference report on S. 355, postal pay bill (H. Rept. 1211);

Conference report on S. 622, compensation of certain officers and employees of the Government (H. Rept. 1212);

Conference report on H. R. 4473, the 1951 tax revision bill (H. Rept. 1213);

H. R. 5448, to provide for the temporary free importation of zinc (H. Rept. 1214); and

Conference report on H. R. 3669, to amend the Railroad Retirement Act of 1937 (H. Rept. 1215).

Page 13488

Land Conveyance: Passed without amendment and sent to the White House S. 1912, to provide for the conveyance of certain land to the city of New Orleans, La.

Page 13449

Immigration and Naturalization: Adopted H. Res. 469, authorizing the Committee on the Judiciary and its subcommittees to conduct, within the United States or abroad, certain studies that fall within its jurisdiction.

Pages 13450-13451

Private Bill: H. R. 1236, a private bill, was cleared for the White House when the House agreed to a Senate amendment thereto.

Page 13451

Flood Control: Passed and sent to the President S. 1622, to amend section 10 of the Flood Control Act of 1946, to include the White River backwater area in the Lower Mississippi River.

Page 13451

Private Calendar: On the call of the Private Calendar the following bills were passed:

Cleared for the President: S. 57, 118, 210, 519, 575, 582, 635, 775, 839 (in lieu of H. R. 2593), 954, 1048, 1274, 1436, 1640, 1970, 2007, and 2027.

Sent to the Senate without amendment: H. R. 800, 1161, 1828, 1857, 2775, 2833, 3375, 3569, 3600, 3877, 3971, 3985, 4130, 4558, and 4876.

Also adopted H. Res. 461.

Sent to the Senate, amended: H. R. 827, 1267, 1974, 2662, 2962, 3219, 3668, 4877, and 5397. Pages 13451-13456

West Point Sesquicentennial: Adopted H. J. Res. 285, to authorize appropriate participation by the United States in commemoration of the one hundred and fiftieth anniversary of the establishment of the U. S. Military Academy.

Prior to its adoption the resolution was amended to reduce the expenditures authorized from \$95,000 to \$5,000 and to provide that all living Generals of the Army be on the U. S. Military Academy Sesquicentennial Commission.

Rejected an amendment to delete language providing for any expenditure.

H. Res. 463, the rule providing for the consideration of H. J. Res. 285, was previously adopted by a roll-call vote of 179 yeas to 149 nays.

Pages 13456-13470

Railroad Retirement: Disagreed to a Senate amendment to H. R. 3669, to amend the Railroad Retirement Act of 1937 to increase the monthly benefits paid to retired railroad employees; agreed to a conference; and appointed as conferees Representatives, Crosser, Beckworth, and Wolverton.

Page 13483

European Consultative Assembly: Adopted, 238 yeas to 75 nays, with an amendment, S. Con. Res. 36, authorizing the appointment of 14 Members of Congress to participate in a public discussion of problems of common interest with representatives of the Consultative Assembly of the Council of Europe. The resolution now goes back to the Senate.

Pages 13470-13477

Yellowstone River Compact: Passed and sent to the White House S. 1311, granting congressional approval to the compact entered into by Montana, North Dakota, and Wyoming for division of the waters of the Yellowstone River.

Pages 13478-13480

Reclamation: Passed, with a committee amendment, H. R. 5097, to extend the time during which the Secretary of the Interior may enter into amendatory repayment contracts under the Federal reclamation laws.

Pages 13480-13481

Montana Land Transfer: Passed, by voice vote, H. R. 3847, to authorize the Secretary of the Interior to issue

to School District No. 28, Ronan, Mont., a patent in fee to certain Indian land.

Page 13481

Committee Meetings

SCHOOL CONSTRUCTION

Committee on Education and Labor: Bailey subcommittee held further hearings to consider problems confronting school districts throughout the country in securing materials for construction of school buildings. The following Members of the House testified at today's session: Representatives Hand, Frazier, Gross, Lanham, Smith of Virginia, and Blatnik. Other witnesses to testify were Dr. Louis Morrell, American Council on Education; Dr. Sam M. Brownell, New Haven (Conn.) State Teachers College; Dr. Irving Stewart, president, West Virginia University; Charles E. Cleaver, market analyst, American Seating Co., Grand Rapids, Mich.; and Jack Robinson, superintendent of schools at Paramount, Calif. Other superintendents of schools representing school districts of nearby areas of Washington, D. C., testified as follows: William A. Early, Arlington County, Va.; Wilbert T. Woodson, Fairfax County, Va.; T. C. Williams, Alexandria, Va.; W. S. Schmidt, Prince Georges County, Md.; and Dr. Richard Carpenter, assistant superintendent, Montgomery County, Md.

Hearings are expected to be concluded at tomorrow's session, at which Manly Fleischmann, DPA and NPA Administrator, is scheduled to testify.

PUBLIC LANDS

Committee on Interior and Insular Affairs: Bentsen subcommittee approved for reporting to the full committee the following six bills: H. R. 1055, to convey certain land in Monroe County, Ark., to the State of Arkansas; H. R. 4199, to authorize the Secretary of the Interior to transfer to the Secretary of Agriculture for national forest purposes lands or interests in lands acquired for or in connection with the Blue Ridge Parkway; H. R. 4515, to authorize the acquisition by exchange of certain properties within Death Valley National Monument, Calif.; H. R. 4765, to authorize the Secretary of the Interior to acquire for archeological laboratory and storage purposes, and for general monument uses, the property in Globe, Ariz., known as the Gila Pueblo; H. R. 5599, to provide for the conveyance of the Centre Hill Mansion, Petersburg, Va., to the Petersburg Battlefield Museum Corp.; and H. R. 5601, relating to the disposition of certain former recreational demonstration project lands by the Commonwealth of Virginia to the School Board of Mecklenburg County, Va.

Representative Patten spoke on behalf of the Gila Pueblo bill (H. R. 4765), which he introduced in the House; and Representative Abbitt, author of H. R. 5599 and H. R. 5601, spoke on behalf of his bills. Favorable reports on all measures were received from the Department of the Interior. Witnesses testifying on the various bills were Conrad L. Wirth, Assistant Director, National

Park Service; Edward J. Kelly, Director of National Capital Park and Planning; and Ira B. Lykes, former superintendent of the Prince William Forest Park.

Committee also considered, but took no action on, H. R. 2327, to authorize the exchange of lands acquired for Prince William Forest Park, Prince William County, Va., for the purpose of consolidating Federal holdings therein.

WAR CLAIMS—TRADING WITH THE ENEMY

Committee on Interstate and Foreign Commerce: Conducted hearings today on a series of bills which would amend the War Claims Act and the Trading With the Enemy Act. In the order listed committee heard witnesses on the following measures: H. R. 2263, to permit the Alien Property Custodian, after settlement of debt claims to distribute the remaining money of an ineligible corporation to eligible stockholders, holding less than all the stock, as their interests may appear; and H. R. 4284, to provide for reimbursement to an American owning either directly or beneficially a part, but less than all, of an enemy corporation taken over by the Alien Property Custodian. (Raoul Berger, an attorney of Washington, D. C., testified on these two bills.)

H. R. 5467, to permit the return under section 32 of the Trading With the Enemy Act of property which an alien acquired by gift, devise, bequest, or inheritance, from an American citizen; and H. R. 2758, a similar bill, on which the author, Representative Buffett, testified.

H. R. 3719, 4345, and 4522, similar measures which provide for compensation at the rate of \$1.50 per day payable from the war claims fund, for unpaid compulsory labor in violation of the Geneva Convention of 1929, and for inhumane treatment of prisoners of war. (Representative Fernandez testified on this legislation and also submitted a statement for Representative Dempsey, author of H. R. 3719.)

H. R. 2656, 1620, 2559, and S. 302, similar bills which would eliminate the provision of the Trading With the Enemy Act limiting to \$5 million the aggregate value of property which the Alien Property Custodian may return to certain persons under an exception to the rule against returns to citizens or residents of enemy countries during the war years, namely, persons who have been U. S. citizens continuously since December 7, 1941, and persons who lost U. S. citizenship through marriage and have regained it prior to September 29, 1950. (Representative Fogarty and Frank L. Hinckley of Providence, R. I., testified on this legislation.)

H. R. 4701, to amend the War Claims Act of 1948, to provide for paying the claims of survivors of prisoners of war put to death by the Government of Japan; and H. R. 2931, to amend the War Claims Act to allow payment not exceeding \$50,000 on account of the death of any member of the Armed Forces as the result of a violation of the obligation by any member of the German or Japanese military forces to cease hostilities.

(Representative Bailey, author of H. R. 2931, spoke on behalf of his bill.)

Hearings will be continued tomorrow for further consideration of amendments to these acts.

IMMIGRATION

Committee on the Judiciary: Walter Subcommittee No. 1 approved for reporting to the full committee 39 private immigration bills (11 of the House and 28 of the Senate). One House immigration bill was reported adversely.

ORGANIZED BASEBALL

Committee on the Judiciary: Celler Subcommittee on the Study of Monopoly Power heard further testimony at its investigation as to whether organized baseball violates antitrust laws. Continuing with its schedule of club owners, ball players, umpires, and sports writers, the subcommittee heard the following witnesses at today's session: T. J. Halligan, Flint, Mich., president of the Central League (class A); William Werber, former major- and minor-league player; R. G. Lynch, Milwaukee Journal; Franklin W. Yeutter, Philadelphia Bulletin; and Walter (Red) Smith, of the New York Herald Tribune. Recessed until tomorrow morning, when various major-league stars are scheduled to testify.

REVENUE STUDY

Committee on Ways and Means: King Subcommittee on Administration of the Internal Revenue Laws resumed its hearings regarding irregularities in collectors' offices throughout the country. The first witness today was James Donovan, an attorney, of Lawrence, Mass., who testified regarding payment of fees to Denis Delaney, collector of internal revenue in Boston, Mass., for extending influence in certain tax cases. He was followed by Daniel Friedman, of the Estate Research Bureau, New York City, who refused to answer pertinent questions on the grounds of possible self-incrimination. During the afternoon session the committee heard testimony from the following internal-revenue agents from the upper New York division: Mordecai Miller, William Dettmer, Ralph DeMayo, and Jack Neustadt. Also heard from Charles Hagopian, of Bronx, N. Y., who discussed certain tax matters as an individual taxpayer. Recessed until tomorrow morning.

CONTROLLED-MATERIALS PLAN

Select Committee To Study Problems of Small Business: Burton Subcommittee No. 3 resumed hearings today for the purpose of cross-examining representatives of the Defense Production Administration and the National Production Authority regarding apparent inconsistencies in previous testimony as to the operations of the entire controlled-materials plan and its effect on small business. The subcommittee has held many hearings during this session regarding the CMP in defense agencies, and has considered many serious questions from small-

business concerns dependent upon steel, aluminum, and copper for the conduct of their businesses. Officials of the DPA at today's session were Melvin L. Anshen, Assistant Deputy Administrator, Office of Program and Requirements; and George A. Steiner, Acting Deputy Administrator, Office of Program and Requirements. NPA officials to testify at today's meeting were W. C. Truppner, Assistant Administrator for Production Controls; Frank T. McCue, Deputy Director, Iron and Steel Division; Frank Creedon, Assistant Administrator, Bureau of Facilities and Construction; John Peckham, Director, Compliance Division; John R. D. Ranson, Deputy Director, Agricultural Machinery and Implement Division; and W. B. Quail, Director of the Iron and Steel Division. Adjourned subject to call of the Chair.

Joint Committee Meetings

TAX REVISION

Conferees on H. R. 4473, tax revision, met in executive session to reconsider its report which the House recommitted to it on October 16, and agreed to file a new report after making the following changes:

(1) That increase in income tax rates in the first bracket be reduced from 11½ percent to 11 percent;

(2) That maximum rate on long-term capital gains for individuals and corporations be increased from the present 25 percent to 26 percent;

(3) That the effective date of the cut-back of the average earnings credit under the excess profits tax from 85 percent to 83 percent be changed from January 1, 1952, to July 1, 1951;

(4) That, in the case of excise taxes, electric garbage-disposal units be added to the list of electrical appliances subject to the 10-percent manufacturers' tax, and that skates be deleted from list of sporting goods subject to the 15-percent manufacturers' excise tax;

(5) That rural electrification cooperatives and certain mutual insurance companies exempt under section 101 (10) or (11) and mutual insurance companies taxable under Supplement G are to be exempted from the requirement of filing information returns with respect to patronage dividends or refunds made to their patrons;

(6) That the present method for computing the holding period in the case of timber subject to the provisions of section 117 (k) (2) be retained. (Under the present law the holding period runs only to the date of the contract for disposal of the timber, instead of the date of the cutting of the timber as under the bill.)

(7) That the provision giving capital-gain treatment to coal royalties be made inapplicable in computing the income subject to the surtax on improper accumulations under section 102 and the surtax on personal holding companies under section 500;

(8) That the provision in the bill giving capital-gain treatment to lump-sum payments received at retirement

upon the release of rights to future profits of the employer be restricted to cases where the employee was entitled to such profits either for the duration of his life or for at least 5 years after retirement; and

(9) That the provision in the bill allowing 3-year carry-over of net operating losses for years 1948 and 1949 be liberalized to include 1947, in the case of new companies.

POSTAL RATES

Conferees, in executive session, agreed to file a report on the differences between the House- and Senate-passed versions of S. 1046, to readjust certain postal rates. As approved, the bill would increase postal rate on post cards to 2 cents; retain the present rate on first-class and air-mail letters; increase second-class mail 10 percent each of the next 3 years, totaling 30 percent increase; third-class mail would be increased from 1 to 1½ cents, effective July 1, 1952; provisions on fourth-class mail were stricken from the bill, leaving the present ICC rates in effect; special services would be increased in accordance with the House provisions, and the Postmaster General would be authorized to set rates in the future for special services; and the conferees agreed to follow the Hoover Commission recommendations.

In the case of title II of the bill, the conferees accepted the system of graduated annual leave for Government employees, with one change, increasing length of service in the first category from 2 to 3 years.

GOVERNMENT EMPLOYEES' PAY INCREASE

Conferees, in executive session, agreed to file a conference report on the differences between the House- and Senate-passed versions of S. 622, Government employees' pay increase.

As approved by the conferees, the bill would provide for a 10-percent pay increase for classified Government employees with a \$300 minimum for each and an \$800 maximum; the pay increase would be applicable to legislative employees, Foreign Service employees, and employees of the Department of Medicine and Surgery of the VA.

They agreed to eliminate pay increase provisions for D. C. police and firemen, school teachers, and employees of the Board of Education, with the understanding that the D. C. Committee would approve such a bill.

RAILROAD RETIREMENT

Conferees, in executive session, agreed to file a conference report on the differences between the House- and Senate-passed versions of H. R. 3669, to amend the Railroad Retirement Act of 1937 to increase the monthly benefits paid to retired railroad employees. As approved, the conferees accepted the Senate-passed version, with the exception of one provision on increase in tax base, and another relating to change in joint and survivor election.